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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER

YOUNG, JOHN L

ART UNIT	PAPER NUMBER
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3622

DATE MAILED: 07/29/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/339,325

Applicant(s)

SHOHAM ET AL.

Examiner

John L Young

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 02 April 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-7,9-13 and 15-22 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-7,9-13 and 15-22 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

JOHN LEONARD YOUNG, ESQ.
PRIMARY EXAMINER

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 2/4/2004.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

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NON-FINAL REJECTION ON RCE

(Paper#7/23/2004)

Shoham' 989

1. **A Non-Final action on RCE follows:**
2. **Claims 1-7, 9-13 & 15-22 are pending.**

DRAWINGS

3. This application has been filed with drawings that are acceptable for examination and publication purposes. The review process for drawings that are included with applications on filing has been modified in view of the new requirement to publish applications at eighteen months after the filing date of applications, or any priority date claimed under 35 U.S.C. §§119, 120, 121, or 365.

CLAIM REJECTIONS — Non-Statutory Type Double Patenting

4. The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple assignees. See *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686

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F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and, *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent is shown to be commonly owned with this application. See 37 CFR 1.130(b).

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

Claim 22 is rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claim 1 of U.S. Patent No. 6,285,989 to Shoham (herein referred to as "Shoham' 989"). The conflicting claim of the instant application is broader and therefore not identical to corresponding claims 1 & 3 of Shoham' 989; however, the instant application if allowed, would improperly extend the right to exclude already granted in U.S. Patent to Shoham' 989.

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As per claim 1 of the instant application, the subject matter claimed is fully disclosed in U.S. Patent to Shoham' 989 (col. 4, ll. 40-55; and whole document) for example, the instant application is claiming substantially common subject matter, which amounts to an obvious variation of the subject matter claimed in Shoham' 989.

It would have been obvious to a person of ordinary skill in the art at the time of the invention that the disclosure of Shoham' 989 cited above implicitly shows the "universal auction specification system" as claimed in claim 22 of the instant application; and it would have been obvious to modify and interpret the disclosure of Shoham' 989 cited above as showing the "universal auction specification system" as claimed in claim 22 of the instant application because modification and interpretation of the cited disclosure of Shoham' 989 would have provided means for "*designing and deploying an interactive, real-time, universal on-line trading market system serving traders communicating via the Internet.*" (See Shoham' 989 (col. 4, ll. 35-55).

For the reasons stated above, independent claim 22 in the instant application to Shoham is rejected based on allowed claims 1 & 3 of Shoham' 989 pursuant to the judicially created nonstatutory double patenting doctrine grounded in public policy to prevent the unjustified or improper timewise extension of the right to exclude.

CLAIM REJECTIONS — 35 U.S.C. §103(a)

The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office Action.

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5. Claims 1-7 & 15-21 are rejected under 35 U.S.C. §103(a) as being unpatentable over Friedland 6,449,601 (09/10/2002) [US f/d: 12/30/1998] (herein referred to as "Friedland") in view of Tilfors 6,405,180 (06/11/2002) [US f/d: 11/05/1998] (herein referred to as "Tilfors") and further in view of Ferstenberg US 5,873,071 (02/16/1999) [US f/d: May. 15, 1997] (herein referred to as "Ferstenberg").

As per claim 1, Friedland (col. 2, ll. 65-67; the ABSTRACT; FIG. 14; FIG. 17; FIG. 16; FIG. 18; FIG. 5; FIG. 6; FIG. 7; FIG. 10; FIG. 12; FIG. 13; col. 2, ll. 42-65; col. 8, ll. 27-50) shows: "A universal auction system having a programmable auction server the programmable auction server comprising: a plurality of auction modules to be configured by a user to deploy the universal auction system, wherein at least one auction module corresponds to at least one function of an auction selected from the group consisting of a bid verifier to determine the eligibility of one of a plurality of traders to the universal auction system based on previous auction history, [or] an information manager to provide information to be released by the universal auction system based on an auction classification, [or] a clearer to implement a clearing calculation based on a discriminating allocation policy associated with the one of the plurality of traders, [or] a bid transformer to automatically transform a submitted bid for an item of the one of the plurality of traders during the auction, the transformation being based on the allocation discriminating policy associated with the one of the plurality of traders, wherein the transformed bid is to be compared to bids received from the plurality of traders other than the one of the plurality

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of traders to determine whether the transformed bid is successful, wherein the submitted bid indicates an amount due for the item when the transformed bid is successful, [or] a proxy bidder to automatically submit a bid of the one of the plurality of traders."

Friedland lacks explicit recitation of "a clearer to implement a clearing calculation based on a discriminating allocation policy associated with the one of the plurality of traders, [or] a bid transformer to automatically transform a submitted bid for an item of the one of the plurality of traders during the auction, the transformation being based on the allocation discriminating policy associated with the one of the plurality of traders, wherein the transformed bid is to be compared to bids received from the plurality of traders other than the one of the plurality of traders to determine whether the transformed bid is successful, wherein the submitted bid indicates an amount due for the item when the transformed bid is successful. . . ."

Tilfors (col. 2, ll. 10-11; col. 2, ll. 17-18; col. 2, ll. 57-58; col. 3, ll. 5-6; col. 3, ll. 25-30; col. 3, ll. 50-51; col. 4, ll. 1-5; and col. 6, ll. 60-67) discloses: "*different counter parts. . . .*" in an automated trading arena. In this case, the Examiner interprets "*different counter parts. . . .*" as "a plurality of traders."

Tilfors (col. 2, ll. 15-16) discloses "*pre-defined parameters will have new orders automatically generated by the system and that a market maker can act differently with respect to different counterparts.*" The Examiner interprets this disclosure as showing "the allocation discriminating policy associated with the one of the plurality of traders. . . ."

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Tilfors (FIG. 1 through FIG. 4; the ABSTRACT; col. 1, ll. 15-67; col. 2, ll. 1-67; col. 3, ll. 1-67; col. 4, ll. 1-67; col. 5, ll. 1-67; and col. 6, ll. 1-67) shows wherein the transformed bid is to be compared to bids received from the plurality of traders other than the one of the plurality of traders to determine whether the transformed bid is successful. . . .”

Tilfors proposes “bid adjustment” modifications that would have applied to the system of Friedland. It would have been obvious to a person of ordinary skill in the art at the time of the invention to combine the disclosure of Tilfors with the teachings of Friedland because such combination would have provided means so “*the market maker can have reduced volume (risk) when trading with firms. . . .*” (see Tilfors (col. 2, ll. 55-60)) and such combination would have provided means for “*an automated exchange system having functionality which makes it possible for market makers to act differently with respect to different counterparts and which therefore can cope with situations where market makers . . . enter two way quotes having a very small spread without taking the risk of making undesired matches. . . .*” (see Tilfors (col. 1, ll. 65-67; and col. 2, ll. 1-5)).

Ferstenberg (FIG. 2; and FIG. 4) shows an “*E-AGENT [and] INTERMEDIARY.*” The Examiner interprets this disclosure as showing an automated proxy bidder.”

Ferstenberg (FIG. 7; FIG. 8; and col. 11, ll. 35-55) shows an “*ALLOCATION FUNCTION.*” The Examiner interprets this disclosure as showing an allocation policy.

Ferstenberg proposes “proxy bidder” and “allocation policy” modifications that

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would have applied to the system of Friedland. It would have been obvious to a person of ordinary skill in the art at the time of the invention to combine the disclosure of Ferstenberg with the teachings of Friedland because such combination would have provided means for *"intermediated exchange that is capable of facilitating exchanges of multiple commodities for multiple participants. . . ."* (see Ferstenberg (col. 2, ll. 59-65)).

As per dependent claims 2-7, Friedland in view of Tilfors and Ferstenberg shows the system of claim 1 and subsequent claims depending from claim 1.

Friedland in view of Tilfors and Ferstenberg implicitly shows the elements and limitations of claims 2-7.

Friedland in view of Tilfors and Ferstenberg lacks explicit recitation of the elements and limitations of claims 2-7.

"Official Notice" is taken that both the concepts and the advantages of the elements and limitations of claims 2-7 were well known and expected in the art by one of ordinary skill at the time of the invention because such concepts and advantages would have provided means for *"intermediated exchange that is capable of facilitating exchanges of multiple commodities for multiple participants. . . ."* (see Ferstenberg (col. 2, ll. 59-65)) and such concepts and advantages would have provided means for *"an automated exchange system having functionality which makes it possible for market makers to act differently with respect to different counterparts and which therefore can cope with situations where market makers . . . enter two way quotes having a*

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very small spread without taking the risk of making undesired matches. . . ." (see Tilfors (col. 1, ll. 65-67; and col. 2, ll. 1-5)).

As per claim 15, Friedland (col. 2, ll. 65-67; the ABSTRACT; FIG. 14; FIG. 17; FIG. 16; FIG. 18; FIG. 5; FIG. 6; FIG. 7; FIG. 10; FIG. 12; FIG. 13; col. 2, ll. 42-65; col. 8, ll. 27-50) shows: "A method of designing a universal auction system comprising: receiving at least one market protocol from a market specification console, the at least one market protocol to define a function of the universal auction system, generating a plurality of auction modules in a programmable auction server base don the at least one market protocol received, wherein at least one auction module corresponds to at least one function of an auction selected from the group consisting of a bid verifier to verify a submitted bid, [or] an information manager to provider[sic] information of the submitted bid, [or] a bid transformer, [or] a clearer to clear an auction; and implementing at least one transaction selected from the group consisting of a bid verification [or] a bid transformation, wherein the bid transformation is based upon one of a predetermined set of discriminating allocation market protocols and the bid transformer to automatically transform a submitted bid for an item of one of a plurality of traders during an auction, the transformation being based on the discrimination allocation policy associated with the one of the plurality of traders, wherein the transformed bid is to be compared to bids received from the plurality of traders other than the one of the plurality of traders to determine whether the transformed bid is successful, wherein the submitted bid indicates an amount

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due for the item when the adjusted bid is successful. . . .”

Friedland lacks explicit recitation of “a clearer to clear an auction . . . [or] a bid transformer, wherein the bid transformation is based upon one of a predetermined set of discriminating allocation market protocols and the bid transformer to automatically transform a submitted bid for an item of one of a plurality of traders during an auction, the transformation being based on the discrimination allocation policy associated with the one of the plurality of traders, wherein the transformed bid is to be compared to bids received from the plurality of traders other than the one of the plurality of traders to determine whether the transformed bid is successful.”

Tilfors (col. 2, ll. 10-11; col. 2, ll. 17-18; col. 2, ll. 57-58; col. 3, ll. 5-6; col. 3, ll. 25-30; col. 3, ll. 50-51; col. 4, ll. 1-5; and col. 6, ll. 60-67) discloses: “*different counter parts. . . .*” in an automated trading arena. In this case, the Examiner interprets “*different counter parts. . . .*” as “a plurality of traders.”

Tilfors (col. 2, ll. 15-16) discloses “*pre-defined parameters will have new orders automatically generated by the system and that a market maker can act differently with respect to different counterparts.*” The Examiner interprets this disclosure as showing “the discrimination allocation policy associated with the one of the plurality of traders. . . .”

Tilfors (FIG. 1 through FIG. 4; the ABSTRACT; col. 1, ll. 15-67; col. 2, ll. 1-67; col. 3, ll. 1-67; col. 4, ll. 1-67; col. 5, ll. 1-67; and col. 6, ll. 1-67) shows “wherein the transformed bid is to be compared to bids received from the plurality of traders other than

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the one of the plurality of traders to determine whether the transformed bid is successful. . . .”

Tilfors proposes “bid adjustment” modifications that would have applied to the system of Friedland. It would have been obvious to a person of ordinary skill in the art at the time of the invention to combine the disclosure of Tilfors with the teachings of Friedland because such combination would have provided means so “*the market maker can have reduced volume (risk) when trading with firms. . . .*” (see Tilfors (col. 2, ll. 55-60)) and such combination would have provided means for “*an automated exchange system having functionality which makes it possible for market makers to act differently with respect to different counterparts and which therefore can cope with situations where market makers . . . enter two way quotes having a very small spread without taking the risk of making undesired matches. . . .*” (see Tilfors (col. 1, ll. 65-67; and col. 2, ll. 1-5)).

Ferstenberg (FIG. 7; FIG. 8; and col. 11, ll. 35-55) shows an “*ALLOCATION FUNCTION.*” The Examiner interprets this disclosure as showing an allocation policy.

Ferstenberg proposes “allocation policy” modifications that would have applied to the system of Friedland. It would have been obvious to a person of ordinary skill in the art at the time of the invention to combine the disclosure of Ferstenberg with the teachings of Friedland because such combination would have provided means for “*intermediated exchange that is capable of facilitating exchanges of multiple commodities for multiple participants. . . .*” (see Ferstenberg (col. 2, ll. 59-65)).

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As per dependent claims 16-21, Friedland in view of Tilfors and Ferstenberg shows the method of claim 15 and subsequent claims depending from claim 15.

Friedland in view of Tilfors and Ferstenberg implicitly shows the elements and limitations of claims 16-21.

Friedland in view of Tilfors and Ferstenberg lacks explicit recitation of the elements and limitations of claims 16-21.

"Official Notice" is taken that both the concepts and the advantages of the elements and limitations of claims 16-21 were well known and expected in the art by one of ordinary skill at the time of the invention because such concepts and advantages would have provided means for "*intermediated exchange that is capable of facilitating exchanges of multiple commodities for multiple participants. . . .*" (see Ferstenberg (col. 2, ll. 59-65)) and such concepts and advantages would have provided means for "*an automated exchange system having functionality which makes it possible for market makers to act differently with respect to different counterparts and which therefore can cope with situations where market makers . . . enter two way quotes having a very small spread without taking the risk of making undesired matches. . . .*" (see Tilfors (col. 1, ll. 65-67; and col. 2, ll. 1-5)).

6. Claims 9-13 & 22 are rejected under 35 U.S.C. §103(a) as being unpatentable over Friedland.

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As per claim 22, Friedland (col. 2, ll. 65-67; the ABSTRACT; FIG. 14; FIG. 17; FIG. 16; FIG. 18; FIG. 5; FIG. 6; FIG. 7; FIG. 10; FIG. 12; FIG. 13; col. 2, ll. 42-65; col. 8, ll. 27-50) implicitly shows: "A universal specification system comprising: a market specification console configured to receive at least one market protocol from a user, the at least one market protocol including a trading primitive that the user configures to dictate the behavior of the universal auction system; and a programmable auction server coupled to the market specification console via a network connection, the programmable auction server to receive the at least one market protocol defined by the market specification console, the programmable auction server to implement at least one of the trading primitives to deploy and manage the universal auction system."

Friedland lacks explicit recitation of "at least one market protocol including a trading primitive that the user configures to dictate the behavior of the universal auction system. . . ."

It would have been obvious to a person of ordinary skill in the art at the time of the invention that the disclosure of Friedland (col. 2, ll. 65-67; the ABSTRACT; FIG. 14; FIG. 17; FIG. 16; FIG. 18; FIG. 5; FIG. 6; FIG. 7; FIG. 10; FIG. 12; FIG. 13; col. 2, ll. 42-65; col. 8, ll. 27-50) implicitly shows "at least one market protocol including a trading primitive that the user configures to dictate the behavior of the universal auction system. . . ." and it would have been obvious to modify and interpret the disclosure of Friedland cited above as showing "at least one market protocol including a trading primitive that the user configures to dictate the behavior of the universal auction

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system. . . ." because modification and interpretation of the cited disclosure of Friedland would have provided means for "*distribution of realtime, live auctions. . . .*" (See Friedland col. 2, ll. 65-67).

As per dependent claims 9-13, Friedland shows the system of claim 22 and subsequent claims depending from claim 22.

Friedland implicitly shows the elements and limitations of claims 9-13.

Friedland lacks explicit recitation of the elements and limitations of claims 9-13.

"Official Notice" is taken that both the concepts and the advantages of the elements and limitations of claims 9-13 were well known and expected in the art by one of ordinary skill at the time of the invention because such concepts and advantages would have provided means for "*distribution of realtime, live auctions. . . .*" (See Friedland col. 2, ll. 65-67).

RESPONSE TO ARGUMENTS

7. Applicant's arguments (Amendment, filed 04/02/2004) have been fully considered but they are not persuasive for the following reasons:

Applicant's arguments are moot based on new grounds of rejection necessitated by Applicant's amendments.

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CONCLUSION

8. Any response to this action should be mailed to:

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Any response to this action may be sent via facsimile to either:

(703)305-7687 (for formal communications EXPEDITED PROCEDURE) or

(703) 305-7687 (for formal communications marked AFTER-FINAL) or

(703) 746-7240 (for informal communications marked PROPOSED or DRAFT).

Hand delivered responses may be brought to:

Seventh Floor Receptionist
Crystal Park V
2451 Crystal Drive
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Any inquiry concerning this communication or earlier communications from the examiner should be directed to John L. Young who may be reached via telephone at (703) 305-3801. The examiner can normally be reached Monday through Friday between 8:30 A.M. and 5:00 P.M.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber, may be reached at (703) 305-8469.

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Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 305-3900.


John L. Young

Primary Patent Examiner

JOHN LEONARD YOUNG, ESQ.
PRIMARY EXAMINER

July 23, 2004